



Introduced Version

SENATE RESOLUTION No. 68

DIGEST OF INTRODUCED RESOLUTION

A SENATE RESOLUTION urging Indiana's federal legislators to fight for strong enforcement of our nation's trade laws to level the playing field with China and other countries, taking whatever action necessary to protect the domestic steel industry from unfair foreign competition, and urging the Department of Commerce to maintain China's "non-market economy" status, which preserves the ability of U.S. companies and American workers to access domestic trade remedy laws.

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March 9, 2016, read first time and referred to Committee on Rules & Legislative Procedure.



SENATE RESOLUTION No. 68

MR. PRESIDENT:

I offer the following resolution and move its adoption:

1 A SENATE RESOLUTION urging Indiana's federal
2 legislators to fight for strong enforcement of our nation's trade
3 laws to level the playing field with China and other countries,
4 taking whatever action necessary to protect the domestic steel
5 industry from unfair foreign competition, and urging the
6 Department of Commerce to maintain China's "non-market
7 economy" status, which preserves the ability of U.S. companies
8 and American workers to access domestic trade remedy laws.

9 *Whereas, Manufacturing is a critical part of Indiana's*
10 *economy, representing a 29.45 percent share of the gross state*
11 *product, 515,700 manufacturing jobs, and 16.02 percent of*
12 *total state employment;*

13 *Whereas, Industrial manufacturing sectors are at risk of*
14 *sliding back into recession, though, due to an alarming surge*
15 *of unfairly-priced imports from China and other nations;*

16 *Whereas, The United States trade deficit with China set a*
17 *new record in 2015 at \$366 billion;*

18 *Whereas, Manufacturing gained only 30,000 jobs*



1 *nationwide in 2015, compared to the 2.7 million gained in the*
2 *entire economy;*

3 *Whereas, The Institute for Supply Management*
4 *manufacturing index shows that the sector contracted in*
5 *February 2016 for the fifth consecutive month;*

6 *Whereas, The steel industry, in particular, is suffering from*
7 *an unprecedented surge in imports from a number of countries*
8 *around the world, including China;*

9 *Whereas, Steel is both a fundamental building block of our*
10 *economy, ranging from trucks and autos, to energy production*
11 *and transmission, to transportation infrastructure, to public*
12 *safety infrastructure, to construction of hospitals, schools,*
13 *industrial plants and commercial buildings;*

14 *Whereas, Steel is used in a broad range of military*
15 *applications, ranging from aircraft carriers and nuclear*
16 *submarines, to tanks and armored transports;*

17 *Whereas, The steel sector is an engine for good-paying jobs*
18 *for over one million Americans;*

19 *Whereas, Indiana has the sixth most jobs supported by*
20 *domestic steel production of all states, and each steel job*
21 *supports up to seven other jobs in the economy;*

22 *Whereas, Major steel mills have been recently idled with*
23 *over 12,000 layoffs announced;*

24 *Whereas, Finished steel imports increased by a dramatic,*
25 *record-setting 36 percent in 2014, captured 29 percent of the*
26 *U.S. market in 2015, and 23 percent in 2013;*

27 *Whereas, Domestic steel shipments declined by over 12*
28 *percent in 2015 and plant activity (capacity utilization)*



1 *averaged just 70 percent for 2015, well below levels necessary*
2 *to be profitable;*

3 *Whereas, A major cause of the steel import surge is global*
4 *steel industry overcapacity, a measure of excess production*
5 *capacity above what is necessary to meet market demand;*

6 *Whereas, China's steel industry is almost completely state-*
7 *owned and state-supported by China's central and provincial*
8 *governments, with nine out of its top ten producers state-*
9 *owned, and now represents half of all global steel production;*

10 *Whereas, The Organization for Economic Cooperation and*
11 *Development estimates that there is almost 700 million metric*
12 *tons of excess steel capacity globally today;*

13 *Whereas, Overcapacity is especially severe in China, where*
14 *the American Iron and Steel Institute estimates that 425 million*
15 *metric tons of the worldwide overcapacity total is represented;*

16 *Whereas, The United States produces less than 100 million*
17 *metric tons annually, while China continues to overproduce*
18 *steel with the backing of aggressive government support and*
19 *trade policies;*

20 *Whereas, Chinese crude steel production soared from 128*
21 *million metric tons in 2000, to 823 million metric tons in 2014,*
22 *an increase of almost 700 million tons;*

23 *Whereas, China's steel exports surged 20 percent from*
24 *2014 to 2015, and the exported steel was more than any other*
25 *country produced, flooding every market around the world and*
26 *creating a domino effect on trade flows; and*

27 *Whereas, Much of the world's steel ends up in the United*
28 *States due to our free market and other countries' aggressive*
29 *safeguards and tariffs: Therefore,*



1 *Be it resolved by the Senate of the*
2 *General Assembly of the State of Indiana:*

3 SECTION 1. That the Indiana Senate urges Indiana's federal
4 elected officials in Washington, D.C. – including the President of the
5 United States of America, U.S. Senators Dan Coats and Joe Donnelly,
6 and the Indiana members of the U.S. House of Representatives – to
7 fight for strong enforcement of our nation's trade laws to level the
8 playing field with China and other countries, taking whatever action
9 necessary to protect the domestic steel industry from unfair foreign
10 competition, and to urge the Department of Commerce to maintain
11 China's "non-market economy" status, which preserves the ability of
12 U.S. companies and American workers to access domestic trade
13 remedy laws.

14 SECTION 2. The Secretary of the Senate is hereby directed to
15 transmit copies of this Resolution to AK Steel, US Steel, Nucor, Steel
16 Dynamics, and ArcelorMittal.

